

COUNCIL ON HUMAN SERVICES

MINUTES

June 12, 2013

COUNCIL

Mark Anderson
Phyllis Hansell
Arnie Honkamp
Mark Peltan
Guy Richardson
Kim Spading
Roberta Yoder

EX-OFFICIO MEMBERS

Representative Joel Fry (absent)
Representative Lisa Heddens
Senator Amanda Ragan
Senator Jack Whitver (absent)

STAFF

Chuck Palmer
Jen Harbison
Jennifer Vermeer
Sally Titus
Julie Fleming
Linda Miller

Nancy Freudenberg
Jean Slaybaugh
Rick Shults
Wendy Rickman
Julie Allison

GUESTS

Dennis Tibben, Iowa Medical Society
Aaron Todd, Iowa Senate Democrats
Sandi Hurtado-Peters, Department of Management
Diane Stahle, Attorney General's Office
Andy McGuire, Meridian Health Plan
John Pollak, Legislative Services Agency
Erin Davison-Rippey, Planned Parenthood of the Heartland
John Harvey, VOCAL
Don Burgmaier, VOCAL

CALL TO ORDER

Mark Peltan, Chair, called the Council meeting to order at 10:00 a.m. on Wednesday, June 12, 2013, in the First Floor Conference Rooms of the Hoover Building.

ROLL CALL

All Council members were present as well as Senator Amanda Ragan. Ex-officio legislative members Representatives Heddens and Fry and Senator Jack Whitver were absent. (Heddens later connected by conference call at 10:45 a.m. and disconnected at 11:30 a.m.)

RULES

Nancy Freudenberg, Bureau of Policy Coordination, presented the following rules to Council.

1. Amendments to Chapter 7, Appeals and Hearings. Clarifies terminology regarding prehearing conferences and informal conferences.

Freudenberg said one comment was received from a Deputy Chief Administrative Law Judge at the Department of Inspections and Appeals (DIA) requesting a wording change in the language. A change was made from "shall" to "may."

A motion was made by Yoder to approve and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

2. Amendments to Chapter 75, Medicaid. Decreases premiums for applicants and recipients under the Medicaid for Employed People with Disabilities Program with income over 150% of the federal poverty level.

Freudenberg said no comments were received and no revisions were made to the noticed rule.

A motion was made by Richardson to approve and seconded by Spading. MOTION UNANIMOUSLY CARRIED.

3. Amendments to Chapter 75, Medicaid. Decreases statewide average cost of nursing facility services to a private-pay person.

Freudenberg said no comments were received and no revisions were made to the noticed rule.

A motion was made by Hansell to approve and seconded by Richardson.
MOTION UNANIMOUSLY CARRIED.

4. Amendments to Chapter 75, Medicaid. Updates the average charges for PMICs and MHIs and the maximum Medicaid rate for ICF/IDs which are used to determine the disposition of the income of a medical assistance income trust (MAIT).

Freudenberg said no comments were received and no revisions were made to the noticed rule.

A motion was made by Anderson to approve and seconded by Yoder. MOTION UNANIMOUSLY CARRIED.

5. Amendments to Chapters 78 and 79, Medicaid. Amendments clarify language for medical equipment and supplies.

Freudenberg said no comments were received and no revisions were made to the noticed rules.

A motion was made by Hansell to approve and seconded by Richardson.
MOTION UNANIMOUSLY CARRIED.

6. Amendments to Chapter 79, Medicaid. Federal initiative that sets the base year for calculating the hospital incentive program. Permits an alternate option for children's hospitals to participate, using a specially assigned number by CMS.

Freudenberg said no comments were received and no revisions were made to the noticed rule.

A motion was made by Yoder to approve and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

7. Amendments to Chapter 170, Child Care Assistance. Revises the child care assistance fee chart based on new federal poverty levels.

Freudenberg said no comments were received but one revision was made in the example.

A motion was made by Richardson to approve and seconded by Anderson.
MOTION UNANIMOUSLY CARRIED.

There were no Noticed of Intended Action rules presented for Council's review.

Council spent a considerable amount of time discussing the rules that will be presented to them at a special conference call on Wednesday, June 26, at 1:00 p.m. Senate File 446, the Department's appropriation bill, has a number of elements that need to be effective on July 1, 2013; however, as of this date, the legislation has not yet been signed into law by the Governor. The conference call is needed as the Council may only adopt these rules after the bill has been formally enacted by the Governor.

A handout prepared by the Legislative Services Agency (LSA) that was distributed at the Administrative Rules Review Committee (ARRC) yesterday was shared with members. The handout provides a rule reference number, a summary of the rule, and the general fund impacts for fiscal years 2014 and 2015. (Material is on file in Director's Office.)

Freudenberg individually discussed the following rules that will come before Council at a special conference call on June 26th:

- Provides an increase to the foster family daily reimbursement rate and adoption subsidy daily maintenance rates effective July 1, 2013. The rates will be increased by 5.0% compared to the rates in effect in FY 2013.
- Increase the provider rate ceilings to reflect a 4.0% increase over current rates effective July 1, 2013.
- Increases the monthly maintenance rate and initial allowance for youth placed in the Supervised Apartment Living (SAL) program by 5.0% compared to the rates in effect in FY 2013.
- Changes how SAL rates are established. SAL rates will no longer be established by purchase of service but by competitive performance-based contracts. Contractors with the Department who provide Child Welfare Emergency Services (CWES) juvenile shelter care will have their SFY 2013 rates increased by 5.0% effective July 1, 2013.
- Increases youth stipend and provider rates for the Preparation for Adult Living (PAL) Program. Contractors and sub-contractors with the Department who provide PAL services will have their SFY 2013 rates increased by 5% effective July 1, 2013.
- Excludes coverage of and payment for elective, non-medically necessary cesarean section (c-section) deliveries. The Iowa Medicaid Enterprise (IME) currently reimburses hospitals and physicians for c-section deliveries, regardless of the medical necessity. This proposal would eliminate reimbursement to hospitals and physicians for c-sections that were not medically necessary.
- Requires prior authorization (PA) for initial admission to or continued stay in a certified hospital "swing-bed" for a member who no longer requires acute (inpatient) hospital care and who would otherwise meet a nursing facility or skilled level of care (LOC).

- Changes the reimbursement method for case management services under the Medicaid state plan, habilitation, Home and Community-Based Services for individuals with a brain injury and elderly.
- Transitions the provision of service provided by individual providers of personal care under the Consumer Directed Attendant Care (CDAC) option to agency-provided personal care services and shall retain the consumer choice option for those.
- Transfers administrative responsibility for Medicaid Habilitation to the contractor for the Iowa Plan for Behavioral Health.
- Changes the payment methodology for home health services to the Medicare Low Utilization Payment Amount (LUPA) methodology with state geographic wage adjustments. The Department will update the rates every two years. The rates for private duty nursing and personal care home-health services will be based on an hourly interim rate subject to cost settlement subject to a limit calculated by the Department and approved by the Centers for Medicare and Medicaid Services (CMS).
- Implement Medicaid provider reimbursement rate increases in accordance with Senate File 446, Section 29, effective July 1, 2013. This includes a 10.0% increase for ambulance providers, a 3.0% increase for HCBS waiver providers, and a 1.0% increase for all other providers.
- Suspends enrollment in IowaCare effective July 1, 2013, based on funding for State fiscal year 2014 and pursuant to the amended terms of the waiver of Title XIX requirements allowing federal funding for the IowaCare program. Suspensions will be lifted, based on date of application on or after July 1, 2013, as allowed by program attrition, within a cap on enrollment.

Council and staff had discussed the Medicaid rules; specifically, the requirements and standards for the competitive bid process as well as the outcome standards. Members requested a future agenda item be discussion on the procurement process. Council also requested at an upcoming meeting to be informed on how the cost increase for transferring administrative responsibility for the Medicaid habilitation to the contractor for the Iowa Plan for Behavioral Health was determined.

Spading voiced concern on the rule that suspends enrollment in IowaCare effective July 1, 2013, based on funding for state fiscal year 2014. As no new applications will be taken after July 1st, there is a gap in time where there is not a health care exchange for persons to apply to. She said capping enrollment for six months is too expensive for hospitals. Hospitals are already struggling with reimbursement issues and this is taking away a safety net not only for the patients but also for the hospitals. Mikki Stier from Broadlawns Medical Center also said they are opposed to the capped enrollment for Polk County. Medicaid Director Vermeer said it is very confusing and adds additional complexity to enroll people after July 1st for a program that is scheduled to end December 31st. Open enrollment for the new health care program will begin in October and run

through December. Vermeer also said the Affordable Care Act (ACA) will be implemented January 1, 2014, and hospitals will receive Medicaid expansion. Hospitals will have more revenue coming in through the marketplace and through the Iowa Health and Wellness Program. This revenue will provide coverage to persons for a comprehensive range of benefits through a comprehensive provider network. Approximately 150,000 more people will be covered by Medicaid plus the tens of thousands that will have coverage through the marketplace.

Peltan requested a future agenda item be an update on the rule dealing with requiring prior authorization for initial admission to or continued stay in a certified hospital “swing-bed” for a member who no longer requires acute inpatient hospital care and who would otherwise meet a nursing facility or skilled level of care.

BUDGET UPDATE

Jean Slaybaugh, Chief Financial Officer, distributed a summary of a budget comparison for state fiscal year 2014 (Governor’s recommendation vs. conference committee.) She provided an overview of the Governor’s recommendations to those of the conference committee for each DHS appropriation. Slaybaugh said there are no major concerns with the SFY 2014 budget. (Material on file in Director’s Office).

Slaybaugh also spoke about a supplemental bill for the agency for SFY 2013 with appropriations for adoptions, IowaCare and Medicaid.

Slaybaugh said staff are currently working on the next budget cycle for State Fiscal Year 2015. The Department of Management is anticipating a one year budget.

LEGISLATIVE UPDATE

Jen Harbison, Policy Advisory, distributed an “end of session summary.” She said the session of the 85th Iowa General Assembly adjourned Thursday, May 24th. (Material on file in Director’s Office)

Harbison provided an overview of the four bills introduced by DHS this year: 1) Child welfare/TANF/IowaCare/ACA; 2) Medicaid Program Integrity; 3) Home and Community-Based Services; and 4) the Mental Health and Disability Services Policy Changes. The latter three pieces of legislation were signed by the Governor on April 5, 2013. The child welfare/TANF/IowaCare/ACA components were merged into the Standings bill Senate File 452.

Harbison also updated Council on the policy bills with impact to DHS. Those bills consist of differential response and the Iowa County Attorney Representation of DHS. Both of these bills were signed by the Governor on May 24, 2013.

Harbison also advised of the Rebuild Iowa Infrastructure Fund. This Fund is important to monitor as this is the technology appropriation for the Department's Medicaid program. This appropriation is specifically used to fund MMIS, ELIAS, and ICD10 programs.

Harbison also said the Department has been tasked with a number of legislative reports to complete and a majority of them are due by the end of the year. It was noted that all reports are subject to the Governor's signing of Senate File 446.

UPDATE ON AUTISM LEGISLATION

Jennifer Vermeer, Medicaid Director, and Rick Shults, Division Administrator of Mental Health and Disability Services, provided an overview of the recent autism legislation.

Shults said individuals with autism are those individuals that have a disability that has an early onset (approximately age three). This disability is associated with difficulty in communication and social interactions. Shults said one treatment approach, applied behavioral analysis, is very helpful in addressing the adverse symptoms of people with autism. Applied behavioral analysis is designed to analyze the behavior individuals experience with autism. A behavioral design is then developed that breaks down the behaviors into small pieces and systematically reinforces alternative, positive approaches to those behaviors. Shults said there is a national recognition of this approach and it has been proven to be highly effective. Shults spoke to how people access these services. For children who receive Medicaid this service is paid for through Magellan. The state employee health benefit plan also provides payment for applied behavioral analysis as well.

Shults said in the appropriation bill, currently being considered by the Governor, there is an additional program called the Autism Support Program that provides for an appropriation of \$2 million so that those children with a diagnosis of autism, who don't have access through other means, can have access to this service. If approved by the Governor, DHS staff will be working with known experts to build this new approach. The target group will be children with autism that are younger than nine years of age. Shults also explained other provisions in the bill including eligibility requirements as well as the service benefits.

Shults noted the University of Iowa Regional Autism Services Program in the Child Health Specialty Clinics will be helping with the navigation, coordination and integration of services. The principles of the Integrated Health Homes will also be used.

Council and staff discussed the credentialing standards for counselors and analysts for the program, eligibility for the program, and the partnering with other entities to implement this program. The development of administrative rules was also discussed with a program effective date of January 1, 2014.

IOWA HEALTH AND WELLNESS PLAN

Jennifer Vermeer, Medicaid Director, distributed information on the key initiatives within the Iowa Medicaid Enterprise. The projects range from normal business processes to complex system transformations. Vermeer provided an overview of the following initiatives: State Innovation Model (SIM); the Balancing Incentives Payment Project (BIP); Health Homes; Integrated Health Homes; Health Information Technology; ICD-10 Update; Medicaid Management Information Systems (MMIS); and the DHS Health Care Information Technology Projects. (Material on file in the Director's Office)

Council and staff discussed the details of the Iowa Health and Wellness Plan waiver and the premium assistance program. Discussion included the benefits covered, out-of-pocket costs, tax credits, role of regions, and will there be sufficient access in the Medicaid provider network. The ending of the IowaCare program and the application process for the new plan that will begin on October 1, 2013, with benefits beginning on January 1, 2014, was also discussed.

DIFFERENTIAL RESPONSE

Wendy Rickman, Division Administrator for Adult, Children, and Family Services, provided information on the differential response system. (Material is on file in the Director's Office).

A differential response system is an approach used by child protective agencies to have more than one way of responding to allegations of child abuse. Rickman said DHS staff will move from our current child abuse assessment system, to a differentiated response where more serious cases will continue down the traditional path but generally, some less serious cases will take a different approach. The differential response systems are more family-friendly, flexible, and better able to engage and empower families making changes to improve child well-being while still keeping children. It was noted the Governor and legislature support this change.

Rickman said approximately 23 states' child protective systems include some form of differential response. Based on data from those states, the following is known: child safety is not compromised; subsequent reporting of families for child abuse and neglect decline; petitions filed in family court and out-of-home placements declined; and family engagement and family satisfaction increases.

Rickman provided an overview of what Iowa's differential response system will look like and those that have been involved in the planning of the system. She also advised of the marketing and communication plan.

The implementation date of this system is scheduled for January 1, 2014. Between now and January 1st staff will be working on completing system changes, training of staff, and contract amendments.

Council and staff also discussed elder abuse and if the response system applies to this. Rickman responded no. There is not a defined elder abuse law outside dependent adult. Rickman expects the elder abuse conversation will continue to evolve throughout the summer and through the next legislation session.

Rickman praised Julie Allison, Bureau Chief of Child Welfare and Community Services, and her staff for all the work they have done on this initiative.

CONFLICT OF INTEREST POLICY

Director Palmer introduced Diane Stahle from the Attorney General's Office who has been the lead attorney/liaison with DHS since the mid 1990s.

Council had earlier been sent "conflict of interest" information and an annual statement to complete. (Material is on file in the Director's Office). Stahle reviewed this information with Council.

Stahle said the basic underlying premise of a conflict of interest is that "you should only serve one master" and there is a duty of loyalty to the government body that one is serving on behalf of. Any actual, potential or perceived conflict of interest on the part of the Council member, or a member of their immediate family, will be disclosed to the other members and be made a matter of record.

Council members will not participate in any vote, or take affirmative action to influence any vote, on any matter before the Council in which the Council member, or an immediate family member has an actual, potential or perceived conflict of interest.

Stahle said if a member has a general interest that is shared with other large segments of the population there is not a conflict of interest but, if it would affect their own business or personal interests directly, the member should err on the side of caution and disclose that. The conflict of interest policy applies not only to the member, but also family members (spouse and any dependent children). Stahle also noted that even if a member does not vote, it is a good idea to disclose any potential conflicts.

Stahle said the state government entity charged with answering questions regarding “conflict of interest” is the Iowa Ethics and Campaign Disclosure Board. They have a website that is very useful and the Board will also answer questions via telephone.

APPROVAL OF MINUTES

A motion was made by Anderson to approve the May 7 and 8, 2013, minutes and seconded by Spading. MOTION UNANIMOUSLY CARRIED.

COUNCIL MEMBERS’ UPDATE

Hansell said she has scheduled a meeting with DHS staff to provide her an overview of the child abuse hotline. This meeting has been scheduled for August 7, 2013, at the Polk County River Place Office. Other Council members are welcome to attend. Honkamp and Yoder said they will join her.

Hansell requested a future agenda item be discussion on the interface/coordination between the Department of Public Health and DHS.

Yoder plans to attend the upcoming State Innovation Model learning session in Des Moines.

Peltan said he will be attending a meeting in Iowa City tomorrow with the Director of the Mental Health Center of North Iowa; a nurse practitioner; and Dr. Nancy Williams of the Psychiatry Department of the Hospital. The purpose of the meeting is to discuss integrated health homes. From that meeting, they will travel to the Abbe Center for Mental Health in Cedar Rapids. Peltan said it is to north central Iowa’s advantage to have this type of service in place in an accountable care environment. Peltan said people are better taken care of, it reduces the cost of care over the long run; and provides better outcomes for people. Peltan said he will keep Council informed as this develops.

Peltan also informed Council of a grant received to help treat persons with substance abuse disorders.

DIRECTOR’S REPORT

Palmer informed Council the Governor has until June 22, 2013, to make his final decisions regarding the DHS Appropriation bill.

He also advised staff have begun work on the SFY 2015 budget and this work will continue into the summer. As part of the budget cycle, the Council will hold an annual public hearing in July to receive input and advice from constituents and providers that will be taken into account as the budget is developed.

Palmer said staff are very busy as there are a number of items to implement; the cycle of planning next year's budget, getting rules through to operationalize the SFY 2014 budget, and then, in just a few short months, executing a program that will benefit another 150,000 Iowans. Work continues with the Centers for Medicare and Medicaid Services (CMS) regarding the Health and Wellness plan. Work is also occurring on DHS management information systems so they are ready October 1st to take the initial enrollment for the new plan. He said staff is excited but busy: some days they don't have time to step back and appreciate the significance of what they are really part of. On any given day, DHS is serving one-third of the citizens of Iowa.

Palmer also updated Council on the requests received from some counties to be exempt from the requirement to join into a region for administration of mental health and disability services. Polk County received an exemption; Carroll County did not; and a recommendation will be made by the end of the month on Jefferson County. Palmer explained the legislative intent for exemption.

Director Palmer shared that Roger Munns, the Department's long-time public relations person, is retiring the end of June. Munns will be missed both as a colleague and as an effective professional with good institutional knowledge. He is wished the best by all.

NEXT MEETING

The next meeting of the Council on Human Services will be Wednesday, July 10, 2013, in Des Moines.

A motion was made by Richardson to adjourn and seconded by Yoder. MOTION UNANIMOUSLY CARRIED.

Council adjourned at 3:30 pm.

Submitted by,

Linda Miller
Recording Secretary

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